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MAN, LOST AT SEA FOR TWO MONTHS, RESCUED

Videograb shows a Russian man, who spent more than two months adrift in an inflatable boat, being rescued by a fishing vessel in the Okhotsk Sea in the Kamchatka region of Russian far east. Okhotsk Sea is the coldest sea in East Asia and known for its very strong winds. It was not immediately clear how he managed to survive | PTI

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION DIRECTLY OR INDIRECTLY OUTSIDE INDIA. INITIAL PUBLIC OFFER OF EQUITY SHARES ON THE MAIN BOARD OF THE BSE LIMITED ("**BSE**") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("**NSE**", AND TOGETHER WITH THE BSE, "**STOCK EXCHANGES**") IN COMPLIANCE WITH CHAPTER II OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

HYUNDAI

HYUNDAI MOTOR INDIA LIMITED

(Please scan this QR code to view the RHP)

Our Company was incorporated on May 6, 1996 as a public limited company under the Companies Act, 1956, with the name "Hyundai Motor India Limited", pursuant to a certificate of incorporation granted by the Registrar of Companies, Tamil Nadu ("**ROC**") and subsequently, a certificate of commencement of business dated May 10, 1996 was issued to our Company by the Registrar of Companies, Tamil Nadu. For details of changes in the registered office of our Company, see "***History and Certain Corporate Matters – Changes in the Registered Office***" on page 221 of the red herring prospectus dated October 8, 2024 ("**RHP or Red Herring Prospectus**") filed with the ROC.

Registered Office: Plot No. H-1, SIPCOT Industrial Park, Irrungattukottai, Sriperumbudur Taluk, Kancheepuram District – 602 105, Tamil Nadu, India; **Corporate Office:** Plot No. C-11 & C-11 A, City Centre, Urban Estate - 2, Sector 29, Gurugram - 122 001, Haryana, India
Contact Person: Divya Venkat, Company Secretary and Compliance Officer; Tel: +91 44 6710 5135; **E-mail:** complianceofficer@hmil.net; **Website:** www.hyundai.com/in/en; **Corporate Identity Number:** U29309TN1996PLC035377

OUR PROMOTER: HYUNDAI MOTOR COMPANY

INITIAL PUBLIC OFFER OF UP TO 142,194,700 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF HYUNDAI MOTOR INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [•] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [•] MILLION THROUGH AN OFFER FOR SALE ("THE OFFER") OF UP TO 142,194,700 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [•] MILLION BY HYUNDAI MOTOR COMPANY ("PROMOTER SELLING SHAREHOLDER") (THE "OFFER FOR SALE" AND SUCH EQUITY SHARES, THE "OFFERED SHARES").
THE OFFER INCLUDES A RESERVATION OF UP TO 778,400 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AGGREGATING UP TO ₹ [•] MILLION (CONSTITUTING UP TO 0.10% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE 17.50% AND 17.40% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

NAME OF THE SELLING SHAREHOLDER	TYPE	MAXIMUM NUMBER OF OFFERED SHARES	AGGREGATE PROCEEDS FROM OFFERED SHARES	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (₹)[1]
Hyundai Motor Company ("**HMC**")	Promoter Selling Shareholder	Up to 142,194,700 Equity Shares of face value of ₹ 10 each	Up to ₹ [•] million	10.00

[1] As certified by Manian & Rao, Chartered Accountants, by way of their certificate dated October 8, 2024.

**We primarily manufacture and sell four-wheeler passenger vehicles and parts, such as transmissions and engines in India and outside India.
Currently our vehicle portfolio includes 13 passenger vehicle models across sedans, hatchbacks, SUVs and battery EVs.**

The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations.

**QIB Portion: Not more than 50 % of the Net Offer | Non-Institutional Portion: Not less than 15% of the Net Offer | Retail Portion: Not less than 35% of the Net Offer
Employee Reservation Portion: Up to 778,400 Equity Shares aggregating up to ₹ [•] million.**

PRICE BAND: ₹1,865 TO ₹1,960 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH.

THE FLOOR PRICE IS 186.50 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 196.00 TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE TO EARNINGS RATIO ("P/E") BASED ON DILUTED EPS FOR FINANCIAL YEAR ENDED 2024 FOR THE COMPANY AT THE UPPER END OF THE PRICE BAND IS AS HIGH AS 26.28 TIMES AND AT THE LOWER END OF THE PRICE BAND IS 25.01 TIMES AS COMPARED TO THE AVERAGE INDUSTRY PEER GROUP P/E RATIO OF 23.57 TIMES.

BIDS CAN BE MADE FOR A MINIMUM OF 7 EQUITY SHARES AND IN MULTIPLES OF 7 EQUITY SHARES THEREAFTER.

A DISCOUNT OF ₹186 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.

ASBA[#] | **Simple, Safe, Smart way of Application!!!** | **#Applications Supported by Blocked Amount ("ASBA") is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA. Mandatory in public issues. No cheque will be accepted.**

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated October 8, 2024, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the "*Basis for Offer Price*" section of the RHP vis-à-vis the weighted average cost of acquisition of primary and secondary transactions, as applicable, disclosed in the "*Basis for Offer Price*" section on page 118 of the RHP.

IN MAKING AN INVESTMENT DECISION AND PURCHASE IN THE OFFER, POTENTIAL INVESTORS MUST RELY ON THE INFORMATION INCLUDED IN THE RED HERRING PROSPECTUS AND THE TERMS OF THE OFFER, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE OFFER AVAILABLE IN ANY MANNER.

In relation to price band, potential investors should only refer to the price band advertisement for the Offer and should not rely on any media articles/reports in relation to the valuation of the Company as these are not endorsed, published or confirmed either by the Company or by the BRLMs.

RISK TO INVESTORS

(For details refer to section titled "Risk Factors" on page 34 of the RHP.)

1. Dependency on HMC: We depend on HMC, our Promoter, for our operations, including for parts and materials (such as engines and transmission assembly) and research and development. We have entered into and may continue to enter into related party transactions with HMC and companies within the Hyundai Motor Group that may involve conflicts of interest, which could adversely impact our business. Any adverse change in our relationship with HMC and the companies in the Hyundai Motor Group could have an adverse impact on our business, reputation, financial condition, and results of operations.
2. Risk regarding conflict of interest: Two of our Group Companies, Kia Corporation and Kia India Private Limited, are in a similar line of business as us which may involve conflict of interests, which could adversely impact our business. Further, our Promoter, Hyundai Motor Company ("HMC"), including certain companies in the Hyundai Motor Group, are engaged in businesses which may be similar to ours. While exercising their rights as our shareholder, HMC may consider the interest of all their subsidiaries and affiliates, which may not align with our interests.
3. Dependency on Mobis India Limited ("Mobis"): We depend primarily on our Group Company, (being a subsidiary of Hyundai Mobis Co., Ltd. which is specialised in after-sale parts business for HMC Group Companies), to supply spare parts for after sale services to us and our dealers. Further, we also depend on Mobis to supply modular parts to us that we use in the manufacturing process of passenger vehicles and parts and constituted 17.91% of our total parts and materials supplied in the three months ended June 30, 2024. Any failure by Mobis to supply these parts could adversely impact our business. Further, Mobis may engage in transactions with us and other HMC Group Companies that may give rise to conflict situations.
4. Royalty Agreement with HMC: We have entered into the Royalty Agreement with HMC pursuant to which we are required to pay an amount to HMC equal to 3.5% of our sales revenue (which is to be determined as set forth the Royalty Agreement), arising from the sale of passengervehicles or parts. Termination of the Royalty Agreement could adversely impact our business and results of operations. The following table provides the royalty expenses paid to HMC, pursuant to the Royalty Agreement and erstwhile royalty arrangements, for the periods indicated:

	Three months ended June 30,		Fiscal		
	2024	2023	2024	2023	2022
Royalty expense (₹ millions)	4,769.70	3,802.71	15,584.42	14,386.98	11,008.13
Royalty expense as a percentage of revenue from operations (%)	2.75	2.29	2.23	2.39	2.32

Any increase in the royalty fee payable by our Company to HMC under the Royalty Agreement, including up to and exceeding the limits of 5% of the annual consolidated turnover of our Company as prescribed under the SEBI Listing Regulations, could adversely impact our profitability metrics, including our earnings per share.

5. Special Dividend to HMC: Our ability to utilise our internal accruals and cash and bank balances to invest in the business has been reduced and have been adversely impacted on account of the special dividend aggregating to ₹ 107,824.20 million paid to HMC, our Promoter, in March 2024. As a result, we may need to borrow and incur borrowing costs which could impact our profitability, key financial ratios and results of operations.
6. Risk regarding parts and materials consumed: We source parts such as trims, engines and transmissions, and materials such as steel for our manufacturing operations from a combination of domestic and foreign suppliers of the total purchase of parts and materials in Fiscal 2024, we sourced 78.04% from India and 21.96% from outside India.
7. Dependency on Suppliers: We depend on a limited number of suppliers for the procurement of parts and materials required for our manufacturing operations. The table below highlights the percentage of supplies sourced from our top-five suppliers, top-10 suppliers, related parties and suppliers in India and Korea for the periods indicated:

Particulars	Three months ended June 30,		Fiscal		
	2024	2023	2024	2023	2022
Top-five suppliers as a % of total costs to purchase of parts and materials[1]	42.61%	46.58%	43.73%	44.01%	41.05%
Top-10 suppliers as a % of total costs to purchase of parts and materials[2]	57.98%	61.08%	58.37%	58.81%	55.05%
% of parts and materials sourced from related parties	37.14%	39.51%	38.28%	33.98%	34.60%
% of parts and materials sourced from India	80.97%	74.35%	78.04%	80.11%	82.45%
% of parts and materials sourced from South Korea	14.20%	21.18%	16.60%	16.81%	14.06%
% of parts and materials sourced from other than India and South Korea	4.83%	4.47%	5.36%	3.08%	3.49%

(1) Three of our top-five suppliers during the three months ended June 30, 2024 and 2023 and Fiscals 2024 and 2023 and two of our top-five suppliers during Fiscal 2022 are from related parties.
(2) Five of our top-10 suppliers during the three months ended June 30, 2024 and Fiscal 2024 and four of our top-10 suppliers during the three months ended June 30, 2023 and Fiscals 2023 and 2022 are from related parties.

8. Dependency on sale of non-EV passenger vehicles: A significant portion of our sales volumes are derived from the sale of non-EV passenger vehicles, and there is no assurance that we will be able to adopt our EV strategy successfully and cost-efficiently or at all. The following table provides a breakdown of our sales volumes by powertrain for the periods indicated:

Particulars	Three months ended June 30,				Fiscal					
	2024		2023		2024		2023		2022	
	Units	% of total domestic passenger vehicle sales volumes	Units	% of total domestic passenger vehicle sales volumes	Units	% of total domestic passenger vehicle sales volumes	Units	% of total domestic passenger vehicle sales volumes	Units	% of total domestic passenger vehicle sales volumes
Domestic sales volume by powertrain	149,455	100.00%	148,303	100.00%	614,721	100.00%	567,546	100.00%	481,500	100.00%
ICE (without CNG)	132,338	88.55%	132,634	89.43%	542,234	88.21%	506,249	89.20%	437,637	90.89%
CNG	17,000	11.37%	15,061	10.16%	70,367	11.45%	60,322	10.63%	43,732	9.08%
EV	117	0.08%	608	0.41%	2,120	0.34%	975	0.17%	131	0.03%

9. Risk regarding evolving customer demands: Our success depends on our and HMC's ability to identify market trends, including technological trends, and meet evolving customer demands, while maintaining or improving our profitability. If we are unable to do so, our sales volumes, business and results of operations would be adversely affected.
10. Dependency on HMC for Exports: Our global operations involve challenges and risks that could increase our costs, adversely affect our results of operations and require increased time and attention from our management. Further, we primarily depend on HMC for our exports business and revenue generated from our exports sales constitutes 22.34% and 23.70% of our revenue from operations in Fiscal 2024 and in the three months ended June 30, 2024, and also need their prior permission for exports, including regarding the model and jurisdiction of our exports. Any failure or delay by HMC

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